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TAGS: <u>PGOV KDEM IZ</u> SUBJECT: ALLAWI ALLY THINKS SHIA ISLAMISTS' INFLUENCE

WANING IN THE SOUTH - SEES POSSIBLE OPENINGS

Classified By: Political Counselor Robert S. Ford for Reasons 1.4 (b) and (d).

11. (C) SUMMARY: Southern Iraq secular politician and Allawi camp member Wa'el Abd al-Lateef told us March 13 that the Shia will have to make a choice about the kind of federalism they want in the South. He thought giving each governorate authorities like the Kurdish region already enjoys would help calm Sunni Arab fears. Abd al-Lateef thinks that Shia Islamist party SCIRI is reeling after Ibrahim Jafari bested the SCIRI candidate for prime minister. Abd al-Lateef thinks the Islamists' influence is starting to wane in the South and if their internal divisions extend into this year's provincial elections the secular opposition could have new openings. While we are dubious that the Islamists' influence has yet crested in southern Iraq, it is interesting that secular politicos like Abd al-Lateef remain hopeful. END SUMMARY.

Federalism: How to Manage

- 12. (C) Former Iraqi Governing Council member, and current Council of Representatives (CoR) and Iraqi National List member Judge Wa'el Abd al-Lateef al-Fadhel (from Basrah) told Poloffs March 13 that he believes federalism will be part of the constitutional review process. He supports amending constitutional provisions, particularly regarding regions identity and distribution of revenues from natural resources. He said that during the constitution drafting phase he had proposed making each governorate a federal region to ease Sunni Arab fears of a single big southern federal region. He asserted that making each governorate like the Kurdistan Regional Government (KRG) would calm the Sunni Arabs. He said the Shia now have three options regarding federalism:
- the one-governorate approach each governorate is its own federal region;
- the three governorates or fewer approach no more than three governorates can form a federal region; and
- the nine-governorate approach supported by SCIRI's Abd al-Aziz al-Hakim, where all of the nine southern Shia governorates form one federal region.

Shia Religious Parties Dominance Fading -----

parties became strong in 2004 and that they had had no influence previously. He claimed that they gained power when they were united by SCIRI's Abd al-Aziz Al-Hakim in the hope that he would become President. He said the nomination of PM Jafari over Deputy President and SCIRI official Adil Abd al-Mehdi had dealt a knockout to al-Hakim. He stated that the Shia Coalition is weakened.

14. (C) Abd al-Lateef said the strongest party in Basrah was Fadhila. He added that, despite weapons, money, and support from Iran, the religious parties' power is starting to diminish, as Basrah residents want change. He said the religious parties received support from ministries in Baghdad (buildings, vehicles, etc.) when they became part of the government. He said Basrah residents are fed up because of the corruption. He claimed the Shia militias in Basrah also receive major support from Iran.

Provincial Elections: Support Secular Nationalists

5 (C) Abd al-Lateef told PolOffs that he thought provincial elections would be held in June and that he is personally meeting with people in Basrah and Hillah to "save my people from the religious trend." He added that he is doing this on his own and that provincial elections have not been discussed within Allawi's Iraqi National List group. (COMMENT: Previous conversations with Ayad Allawi's Chief of Staff Thair al-Nakib and National Accord Secretary General Ibrahim al-Janabi indicate that the Iraqi National List has begun planning for provincial elections. END COMMENT). He anticipated that if the Shia Coalition enters the provincial elections as a unified list, it will repeat its electoral success. He thinks, however, that cracks in

BAGHDAD 00000910 002 OF 002

the Shia Coalition will prevent it from running as a unified list. Instead, the component parties will run as individual, relatively small entities. He urged the U.S. and international community to support national forces against religious forces. He specifically requested assistance to (a) unite secular national figures; (b) undertake a media and propaganda effort to make these figures known; and (c) provide financial resources during the elections.

Comment

(C) Comment. Notwithstanding Judge Abd al-Lateef's prediction, we have not heard whether the Islamist Shia parties will run together in provincial elections or not. The real power struggle in provincial elections could indeed come between elements of the Shia Islamist Coalition, especially competition between SCIRI/Badr, Dawa, Sadr/Jaysh al-Mahdi, and Fadhila. Much depends on what happens in government formation talks in Baghdad, and whether any rifts from that experience are healed or widened in subsequent months. In the December elections in southern Iraq, secularists kept a foothold in Basrah and Diwaniyah. Abd al-Lateef is hoping Shia Islamist divisions will give secularists a new opening. We have doubts that the Shia Islamists' influence in cities like Basrah has crested; they still look by far the strongest of the political pack. Fadhila may have lost some of its good name through mismanagement in Basrah, but its militia, often operating under police cover, give it plenty of muscle. That said, it is interesting that Shia politicos like Abd al-Lateef remain hopeful. End comment. SATTERFIELD